

# **Frequently Asked Questions**

## **State of Delaware Chip-enabled PCard**

### **What is a chip-enabled card?**

A chip card is a credit card that contains a small embedded microchip that has the capacity to store information in a secure manner. When making a purchase with a chip card reader the chip is used to authorize and complete the transaction.

Today, chip technology is prevalent outside of the U.S. and used in over 130 countries around the world. Going forward, merchants in the U.S. are expected to increasingly convert to chip readers for purchases.

Please note that all of these terms can refer to a chip card:

- EMV (Europay, MasterCard, Visa)
- Chip & PIN/signature
- Chip-embedded card
- Chip technology
- Chip-enabled card
- Smart card

Chip card readers can also be referred to as chip terminals, chip-enabled terminals, etc.

### **What are the benefits of a chip-enabled card?**

No personal information about the cardholder or cardholder account (outside of account number, expiration date, PIN and Security Code) is stored on the microchip. A chip transaction adds another layer of security to cards by requiring the chip to produce dynamic data for the transaction — further protecting the card from unauthorized use. This process makes chip-enabled card information more difficult to steal and therefore makes your chip-enabled card more difficult to counterfeit.

### **What will I experience during conversion to a chip-enabled card?**

You will be asked to set a PIN when you call to activate your new chip-enabled card. After activation, you will need to destroy the magnetic stripe card and begin using the chip-enabled card.

It is recommended the first time you use the chip-enabled card that you make a purchase at a merchant where an attendant is present to assist with the transaction. Until completing the first transaction (at a merchant with a chip-enabled reader and an attendant), your PIN may not be accepted at self-service chip-enabled readers, even though you are entering it correctly.

**How do I activate my chip-enabled card and select a PIN?**

Please contact JPMorgan Chase (JPMC) to activate the card and set a PIN. You only need your Date of Birth, last four digits of your Social Security Number, and the new CVV (Card Verification Value) number to activate the card and establish a PIN.

**Can I still use my old card once I receive my new chip-enabled card?**

Your old card will be active for 30 days after the issuance of the new card. After the 30 days, the card will no longer work. The Division of Accounting strongly recommends that the new card be activated when received. After activation, the old card should be shredded.

**Will I retain the same account number?**

Yes, your account number will remain the same; however, please note if you have automated payments set up with vendors you will need to contact the vendor to update the expiration date and CVV number.

**Will my expiration date change?**

Yes, your expiration date will change. If your card is due to expire in 2015 or 2016, 3 years will be added to the current expiration date; the month will stay the same. If your card is due to expire in 2017 or 2018, 1 year will be added to the current expiration date; the month will stay the same.

**Will my CVV number change?**

Yes, your CVV number on the back of the PCard will change when the chip-enabled card is issued. The CVV number is used for security purposes when making purchases via phone or internet.

**Does the chip-enabled card have a magnetic stripe?**

Yes, each card has a magnetic stripe in order to complete transactions at merchants that do not have a chip-enabled reader.

**How do I use a chip-enabled card to make a purchase?**

If the retailer has a chip-enabled terminal, simply insert your chip-enabled card face up into the terminal. The chip-enabled card will remain in the terminal while the transaction is processed. To authorize your transaction, follow the prompts on the terminal. Once the transaction is complete the terminal will prompt you to remove the card.

**How will I know if a retailer supports chip-enabled technology?**

If you swipe your card at a retailer who supports chip-enabled technology, a message will be displayed instructing you to insert your card into the Point-of-Sale (POS) terminal.

**What if the retailer does not support chip-enabled technology?**

When you transact at a retailer who does not support chip-enabled technology, your card will be swiped and you will sign for your purchase.

**How does a chip-enabled card work for internet and telephone transactions?**

Your internet and telephone transactions will work just as they do today.

**Will I still have to sign or enter a PIN for my card transaction?**

It depends on the POS machine setup.

**Who else knows my PIN and who is it safe to reveal my PIN to?**

Only the cardholder should know their PIN. The PIN should not be shared with anyone.

**Will I be required to use my PIN?**

It will depend on the merchant and their POS terminal. You will not be required to provide the PIN with an over-the-phone or internet transaction.

**Will I have to enter my PIN for every transaction?**

Entering your PIN depends on how the merchant's POS terminal is configured. Some terminals only require a signature and will not prompt you for a PIN. After inserting the card, follow the prompts. Please note that the 1<sup>st</sup> couple of times the PIN is requested at a terminal, the transaction may take a little longer due to the card syncing process.

**What if I want to change or have forgotten my PIN?**

If you have forgotten your PIN or want to change it, you will need to contact JPMC.

**Does the PIN expire?**

No.

**Will there be an impact to my recurring vendors?**

You will need to notify the vendors of the new expiration date and 3-digit CVV number.

**What do I do if my card is locked?**

If your card is locked, please contact JPMC.

**If I have a Travel card and need to process a registration fee, what do I do?**

Contact your Organization's financial office to have the registration fees processed via the State's financial management and accounting system (First State Financials) or a cardholder who is authorized to perform purchases.

**Why did the PCard Program change from allowing a cardholder to spend within the categories of Procurement (including travel) or Travel Only to Purchase Only or Travel Only?**

The new PCard Program promotes fiscal oversight and improved internal control. Travel and purchasing programs have different risk profiles. The State of Delaware Budget and Accounting Manual details control procedures and policies that are specific to each card type and were

designed to address specific risks. The new program encourages Organizations to review/change how they manage transactions; allowing the cardholder to only spend within the predetermined categories of purchase only or travel only. This reduces risk by limiting transactions to the Merchant Category Codes (MCC) that are necessary for the cardholder to perform his/her job.

The following link provides additional information related to the new PCard Program:

<http://accountingqa.state.de.us/pcard-chip.shtml>